CAPE KIWANE
CKSCOOTERS
CRS
E-SCOOTER RENTA

MICRO-MOBILITY TRANSIT

MICRO-MOBILITY TRANSIT

presented to:

Marty & Terri Johnston

Cape Kiwanda RV Resort and Marketplace

33305 Cape Kiwanda Dr, P.O. Box 129, Pacific City, Oregon 97135

503-965-6230

info@ckrvr.com

by

Walker Webb Watson, M.A.

1. Executive Summary:

This proposal reviews technology and economics of operating a micro-mobility transportation provider.

- **E-Bike and Scooters are just the ticket for quick short travel around the resort**, to and from the beach and traveling to downtown Pacific City for guests, tourist sand residents.

- **Covid-19 and a national business and government shut-down have altered personal and public transit needs.** Interest in and demands for viable inexpensive alternatives are creating a rapidly expanding market to traditional fossil fueled vehicles

- **No immediate competitors are located within local and regional area.** The low density and remoteness make it less attractive to other businesses looking for new markets.

- **Cape Kiwanda area attracts numerous park visitors, beach goers and tourists year round.** They bring along crowded beaches, parking problems, traffic congestion, environmental and quality-of-life issues

- **The numerous visitors represent a large untapped market of affluent and eager micro-mobility adopters and repeat customers.** The group's members are tech savvy, active, eco-conscious outdoor enthusiasts already familiar with micro-mobility transit.

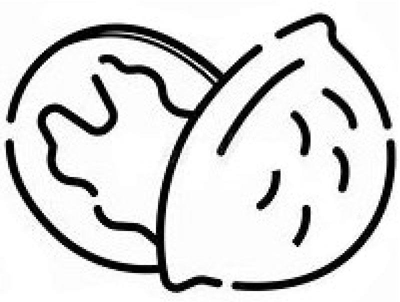
- **Inside the resort guests want to go from their sites to** the marketplace, to the pizza restaurant, to the pool or beach and get around the resort and Pacific City.

- **Outside visitors and residents want a quick, easy and convenient way to get around town and recreation areas.** They want to enjoy the beach and go downtown for dining and shopping without a car or loosing their parking space.

- **New micro-mobility items are expensive, people are always on the lookout for lower cost alternatives,** like renting or buying second hand.
- **E-bikes are one of the fastest growing bicycle sales categories.** The state of Oregon, especially in Portland, is one of the top cycling, e-bike and scooter sharing areas in the nation.

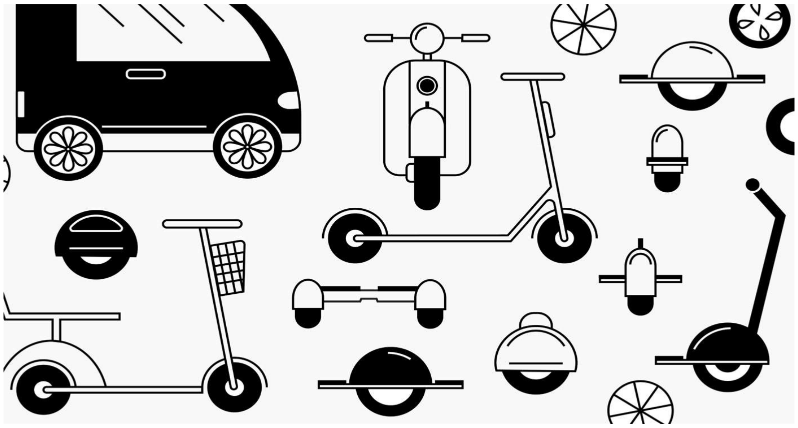
With an e-bike, bicyclists can ride more often, farther, and for more trips. Electric bicycles are designed to be as safe as traditional bicycles, do not compromise consumer safety, and benefit bicyclists who may be discouraged from riding a traditional bicycle due to limited physical fitness, age, disability or convenience.

Get somewhere! Electric bikes and scooters are popular new ride-on short-trip people moving to a new level of easy, efficient and enjoyable personal travel.



“In a nutshell, **micro-mobility transit offers a low cost, simple, fast scaling micro-transportation start-up with an accelerated and**

profitable revenue stream easily positioned to take advantage of a captured location and a rapidly expanding growth market."



Our Mission

- Our primary purpose is promoting and delivering micro-mobility options to the public as an affordable, sustainable and viable means of personal transportation.

Provide leadership by acting as advocate for relieving traffic congestion and overcapacity parking while enhancing personal enjoyment and lifestyles within our friendly community.

- Our service provides quality micro-mobility solutions to area guests, tourists, visitors and residents. It is founded on providing first class service, safe, modern equipment with 100% customer satisfaction guaranteed.

- We accomplish this by giving value for money and a fantastic end-user experience and strive to create an ethical, eco-friendly space to promote sustainable micro-mobility transit practices including ecotourism, solar-power and recycling that reduce global carbon footprints.

2. Company Description

Operations are located within existing resort infrastructure and facilities.

Key members are:

Walker Webb Watson, M.A., President and Chief Executive Officer	75%
John M. Bock, Executive Director	20%
Winnie J. Bock, Administrator and Treasurer	5%

Immediate focus is rental and of micro-mobility transit options to resort guests, marketplace customers, beach goers, tourist visitors and local residents.

Guests, tourists, visitors or locals rent an electric bike or scooter unit for a short period of time. When time is over they return the scooter or bike to a central hub for recharge.

Future expansions include adding other e-vehicles and human-powered micro-mobility transports like bicycles, trikes, pedal-cars, foot-scooters, passenger vehicles, solar powered micro-vehicles even a solar-power re-charge hub

Guided and self-guided beach, mountain and trail bike tours, fat tire bike rides and Eco-tourism trips. Also retail sales of micro-vehicles and equipment, accessories, supplies, parts and repairs, clothing and related outdoor and sports products are possible revenue generators. Used end-of-life units are sold as used / second hand or given as charitable donations.

Coordinating community awareness and establishing non-profit for local area public micro-mobility transportation sharing initiatives and traffic congestion relief programs are other opportunities.

Foster good-will among, encourage and form business and industry relationships in the community for the benefit of our customers, business partners and the general public.

We can accommodate all shapes and sizes of transportation needs making us perfect for special events, tourist transportation, beach and campus shuttles, restaurants, weddings, sports activities, field trips, church trips, and more.

3. Objectives and Goals

- Create a strategic advantage to an immediate and timely opportunity to profit generously from a growth technology industry and rapidly expanding public demand for inexpensive, fast and easy, short trip micro-transit alternatives.
- Get feet on the ground to create a rental and sales concession where none exists and while there are no serious competitors in the local market.
- Utilize existing facility to set-up customer service area, pick-up and drop-off, and garage recharge areas.
- Field units and start renting to generate cash flow right away.
- Grow business by using social media, word of mouth, printed advertising and website to create demand and provide rental information
- Make profit-loss analysis GO or NO-GO decision to continue business after first month.
- Use operations cash flow to quickly recoup and payback start-up costs and ongoing expense.
- Re-invest by purchasing additional units to increase rental fleet size, replace end of life cycle units and improve operations.
- Continually re-assess consumer and market supply and demands based upon actual retail sales and experience and monitor emerging trends to plan for future expansion and operations.

4. Business and Management Structure

Concession operates within existing marketplace business infrastructures.

Daily customer service and operation responsibilities are performed by key-members.

Operation revenues and expenses are managed separately by key members

If and when this project may become independent concessions and considerations may or may not continue as formal or informal agreement or relationship.

5. Products and services

We provide micro-transit vehicles for rent or sale to customers for personal short distance and quick point-to-point transportation options.

Operation Timeline

- First month 2 rental units available for rent.
- End of first month conduct a profit-loss analysis for a Go / No-Go continuation decision..
- Second month add 2 additional units to meet increased demand during holiday seasons.
- Third month continue operations with 4 rental service units, plus any additional units purchased as demand indicates.
- Fourth month on-going operations with inventory on hand and option of adding units for anticipated demand increases.
- Summer Season 2021 add additional 4 or 8 units to maximum 16 fleet units, limited by available garage recharge hub storage limits, to meet anticipated summer tourism increases.
- Continually assess operations and consumer and market demand for new products and services.

Rental Process:

Users rent an electric bike or scooter unit for a short period of time. When finished with ride they return the scooter to a central hub for maintenance, recharging and re-rental.

- A scooter with GPS tracker and lock installed are put into rental inventory.
- Customers register at the rental office, with driver’s license photo ID and credit card for security deposit.
- Customers rent micro-transit unit for set time period and daily rate.
- The desk clerk runs credit for security deposit amount, photo-copy ID card and provides the customer with rental agreement, liability waiver, safety helmet and security lock
- Customer reads, signs and dates waiver form, inspects unit and receives additional equipment

- When ride is complete renter returns unit to the central hub and checks-in.
- Desk clerk invoices and collects full credit card payment, less deposit.
- Equipment is moved to maintenance hub, inspected and re-charged.
- Unit returns to rental stock and repeat from Step 2.

Pricing:

Model is based on informal internet survey of other local and long distance e-bike and scooter rental provider rates and my best guess to recover inventory costs, management fees and operations costs.

For all units WINTER or SUMMER season

- One day minimum rental period
- $50 WINTER / $75 SUMMER Use Recovery Charge each unit
- $250 credit card Security Damage and Loss Deposit per unit
- 20% discount resort guests, coupon holders (SCOOT Bucks) and partner referrals
- Safety helmet and security u-lock + chain included ($50 charge for damage/loss)
- Prices are subject to change during special events, festivals, etc.

2021 Winter Season - [November – March]:

9 AM - 5 PM Full Day (8 hours)

- $60 for Pedal Bikes plus
- $80 for E-bike or E-Scooter

2021 Summer Season - [April – October]:

Full Day (10 hours)

- $85 Pedal Bike - E-Scooter
- $95 Fat Tire E-Bike

- $75 Non-Refundable Deposit

Delivery and Pick-Up Services:

For a fee deliver and pick-up rentals to a hotel, condo, or beach and take them back to shop.

- $125 within 3 mile radius from hub
- $250 outside service area

Rental Requirements:

- One rider only – No Passengers
- Renter must be 21 yrs old
- Photo ID Driver License
- Signed and Dated Liability Waver form for each rental unit.
- No dark hours or overnight rentals.
- All units return to central hub nightly for maintenance and re-charge.
- $75 "Out Of Service Area" fee for any rental unit left anywhere outside defined geographic "fenced" service area.
- $25 Improper Parking Fee which includes locking a bike only to itself, to staircases, bridges, public or private property, and any bikes left blocking crosswalks and sidewalks.

OREGON'S E-BIKE LAW FOR THE ROAD

» E-bikes are classified as "electric assisted bicycles," and are regulated like bicycles, so long as the bicycle's motor has a maximum power output of 1,000w, has pedals that propel the bike with human power and the bike doesn't exceed 20mph.

» E-bikes are not subject to the registration, licensing or insurance requirements that apply to motor vehicles.

» E-bikes are allowed on bike paths but are not allowed on sidewalks.

» The age minimum for e-bike riders is 16 years.

» E-bike riders are not required to wear a helmet.

* The following Oregon laws are referenced: Or. Rev. Stat. § 801.258; § 814.405; § 814.410; § 807.020

6. Marketing and Sales Plan

"That people have taken so readily to scooters shows just how much latent demand there is for a quick and cheap way to get around cities."

- To our advantage **no serious or potential competitors exist** within or near the geographically limited target market area.
- **Location is close to a convenient beach access**, tourist destination, outdoor recreation park and a popular restaurant thus driving walk-in customers and shoppers
- **Typical customers are day-trippers, beach goers**, RV Park visitors, hotel guests and local residents who need to get from here to there quickly, easily and safely.
- **The target market is vacationers. Specifically, ones, who want to explore the area** or are away on vacation and want to feel the wind in their hair and enjoy the natural beauty of outdoors.
- **Advertise quick and widely with social media outlets, websites and word of mouth** Window signs, cards and hand-outs in and around the marketplace drive interest and revenue. revenue.
- **Partner with other local business to attract more customers**. Pay commission or offer discounts to staff for referrals.
- **Offer additional impulse buys, tourist merchandise and rider extras**, such as gloves, jackets, and even helmets and helmet add-on while inside the marketplace.

Market Requirements Analysis:

Micro-mobility is a perfect way to easily commute short distances.

- Cape Kiwanda is one of the most popular recreational destinations in Tillamook County, if not the entire north Oregon coast. During the peak summer months the area witnesses a surge by factor of 10 in the numbers of tourists.

- The numerous park visitors and beach goers attracted by the cape represent a large untapped market of affluent, eco-conscious guests, tourists and outdoor enthusiasts who are eager micro-mobility adopters and users.

- in 2018 the Coast captured an estimated 59% (17 million) of Oregon's total overnight visitors who spent $287 each.

- transportation facilities, infrastructure and environment are inadequate, under increasing crowding and congestion pressure or non-existant.

- Visitation and spending increased for the ninth consecutive year in 2018.

- Limited beach access and a lack of adequate parking degrade visitor experience.

- Traffic congestion and safety issues impact quality of life for guests and locals.

- Electric vehicle rentals for short micro-journeys around the RV resort, beach and local business spots are viable alternative for RV Resort guests, and area residents, tourists and visitors.

- Using electronic scooters and bikes to travel shorter distances is referred to as micro-mobility

- They are quicker because you can travel faster than walking.

- By "right-sizing" micro-vehicles they reduce congestion, make the most of existing parking space and can reduce reliance on private cars.

- Electric motors are eco-friendly, energy efficient, and emission-free.

- E-bikes are low cost, low maintenance and can have physical and health benefits.

- For potential fleet operators, the main benefit is the booming billion-dollar industry and its various opportunities to scale quickly and ability to create new opportunities to earn money.

- According to a new study made about the new micro-mobility services, including e-scooters, a majority (70 percent) of people across the U.S. view electric scooters positively. And women are expected to support and adopt e-scooters more than bike sharing, which is more used by men.

7. Business Financial Analysis

These are best guess estimates based on a quick internet search of like outlets, personal experience and generous projections.

First example, in a best case scenario, start small with 2 units, costing about $1,000 each. Each unit rent is $130 per day ($80 Rate+ $50 Fee). Renting both units every day for a week grosses $1,820

Monthly expenses include $850 rent and utilities, $150 for office supplies and $600 for a wrangler, a unit manager, comes to $1,600 a month, rounded up to $2,000 a month expenses.

If both units are rented every day for a month gross revenue is $8,000, - $2,000 expenses leaves $6,200, over SIX THOUSAND DOLLARS A MONTH NET. Added up it’s a little over $50,0000 FIFTY THOUSAND DOLLARS A YEAR PROFIT!

Monthly gross – expenses:

MICROTRANSIT REVENUE ESTIMATE – 2 Units @ $130 ea x 30 Days									
UNITS	***RATE/DAY***	***REVENUE***				***M1***	***M2***	***M3***	***Y1***
2	$80	160		GROSS		5200	5200	5200	94900
DEPOSIT	AMOUNT								
2	$50	100		EXPENSE		3450	3450	1400	41400
GROSS	$130	$260		**REVENUE**		**$1,750**	**$1,750**	**$3,800**	**$53,500**
COSTS									
FIXED									
units	2	1000		2000		2000	2000		
rent	1	850		850		850	850	850	10200
VARIABLE									
consumables						200	150	150	1800
wrangler/unit	10	20				400	400	400	4800
TOTAL						3450	3450	1400	16800

It’s very possible in a good month 2 units could generate $7,800 revenue, and $6,000 earnings in a month or over $50,0000 a year profit. In the first thirty days the two units pay for themselves, pay the rent and cover operations while they EARN $150, ONE HUNDRED FIFTY DOLLARS, A DAY profit.

Initial start-up costs are small, buying 2 units, $2,000 plus rent and supplies come to $3000 total. Monthly expenses include inventory recovery costs, about $65 per day for 2 units. Equipment costs are recovered in 14 days and it takes about 21 days to break even.

Adding to the number of units available results in exponentially rapid and substantial revenue growth. For instance take 8 UNITS RENTED for $130 per day for 20 DAYS A MONTH which gives an astonishing $20,000 gross revenues and $10,000 a month earnings.

Example with 8 units rented for 20 days in a month:

		M1	***M2***	***M3***	
GROSS		$20,800.00	$20,800.00	$20,800.00	
EXPENSE		$10,650.00	$10,650.00	$2,600.00	
REVENUE		**$10,150.00**	**$10,150.00**	**$18,200.00**	**$**

Most importantly this micro-transit rental, ride-sharing and sales **program represents a timely and invaluable opportunity** to leverage inexpensive operations, low overhead, simple logistics with technology savvy to **easily generate substantial cash flow and significant earnings** in a short amount of time.

Replacement Cost Recovery:

Micro-mobility offers great benefits for new personal transport and removes many roadblocks and challenges that accompany traditional transportation methods.

Specifications and warrant indicate a typical e-bike or e-scooter life expectancy is at least 12 months or longer, so our estimated recovery costs are adjusted up or down as experience dictates.

- Cost is determined by dividing unit cost by number of expected rental service days.

- Length of service cycle is based on a brief survey of similar rental venues and quick review of manufacturer specs.

- Our recovery plan calls for service life cycle of 30 days, more or less as necessary due to repair or loss experience.

- Units removed from inventory can be sold as second hand with proceeds re-invested.

An e-bike’s mechanical wear and tear is about the same as a conventional bike, so the price of maintenance is low.

Replacing a $1000 rental unit takes approximately 12 days

The American Bicycle Rental Company and its employees reserve the right to refuse service to anyone at any time.

In using this website, reserving products/services, purchasing products/services, and providing information, you are deemed to have read and agreed to the following terms and conditions:

OK SCOOT! Cape Kiwanda Scooter Rentals

Rental Terms

Participants must read and sign the Release from Liability Agreement prior to rental.

A credit card and valid drivers license or passport is required for rental deposit.

Locks, helmets, baskets and maps are provided for free with rental.

Participants must be 12 years of age or older; Exceptions can be made on a case-by-case basis.

Participants younger than 18, must be accompanied by an adult; the agreement must be signed by the parent/guardian releasing the Company from liability.

Participants must be in good health, be able to operate, control and balance the equipment at the time of rental. Please consult your physician.

Participants are responsible for the rental equipment from the time the equipment is rented until the time it is returned, including damage and theft of rental equipment.

Rental equipment is due back on the date/time agreed upon by the Company and the rider(s).

Participants must inform The Company if the equipment is damaged or not working properly.

Participants must comply with all traffic laws and ride with caution.

READ CAREFULLY Deposits, Payment, Reservations, Cancellation and Refund Policy:

– We accept cash and all major credit cards for payment.

– Late returns are subject to additional charges and late fees.

– Damaged equipment is subject to repair costs.

– If the rental period is extended, the undersigned authorizes the Company to charge the credit card on file for monies due without the cardholder present.

– If the bicycle(s) is returned in the condition in which it was lent, your account will only be charged the rental costs.

– If the bicycle(s) is returned in with damages, your account will be charged for the damages incurred during the rental period.

– Prices are subject to change during special events, festivals, etc without notice.

– Once the rider(s) agrees to the riding terms, is fitted and receives riding instructions, signs the rider agreement, and departs on the bike, no refunds will be issued.

Lost or damaged lights will result in a $30 replacement charge.

Damaged baskets will result in a $30 replacement charge.

Damaged seats will result in a $50 replacement charge.

Lost or damaged keys will result in a $50 replacement charge.

Lost or damaged locks will result in a $100 replacement charge.

A $35 cleaning fee will be charged to your account for bikes that require special cleaning to return to service line i.e. excessive mud, decorations etc.

If the bicycle(s) is stolen, your account will be charged $500 per stolen bike. Section 3 Lost or Damaged Bicycles; Additional Fees.

The Ride Time data generated by the Services’ computer is conclusive evidence of the period of Your use of a Bicycle. Your use of the Services is limited to a period of 48 consecutive hours. Any use that exceeds a period of 48 consecutive hours is deemed a disappearance of the Bicycle, until the Bicycle is found or returned to a Bike Dock. If the Bicycle rental is not ended within a period of 48 consecutive hours, then the Bicycle is deemed lost or stolen, Your credit or debit card will be charged a lost bike fee of up to $1200, and a police report may be filed with local authorities. You must return the Bicycle in the same condition in which You rented it. If the Bicycle is returned to a Bike Dock damaged or in a state of disrepair, then You will be charged a fee that is equal to the cost of repair. Such fees may be charged as soon as 24 hours after the Bicycle is not returned or is returned in a damaged state. Bike Share will attempt to contact You via telephone before charging Your credit or debit card, by using the contact information You provided when purchasing access to the Services. For any disappearance of a Bicycle that was released using Your subscription, You must report the disappearance to the local police department and to NYCBS or JCBS, as applicable, within 24 hours following the disappearance.

Projected Profit:

Best case revenue for renting 2 units per day is projected to average $7800/mo and expenses average $3200/mo, we expect profitability and inventory within 1 month.

First month return on $3000 investment expected is $4500, then $3900 second month and $5500 each month thereafter (omitting inventory recoup third month) with net revenue of approximately $46,000 yearly on 2 rental units for 365 days.

Inventory costs are recouped at end of the first month. This allows purchase of 2 additional rental units thereby doubling potential revenue and earnings. Provided we are able to do so we can quickly expand offerings and grow to full capacity.

UNITS	RATE/DAY	REVENUE				M1	M2	M3
2	80.00	160.00		GROSS		7,800.00	7,800.00	7,800.00
DEPOSIT	0.00							
2	50.00	100.00		EXPENSE		-3,300.00	-3,825.00	-2,225.00*
DAYS RENT	1	260.00		**NET**		**$4,500.00**	**$3,975.00**	**$5,575.00**

30	DAYS	7,800.00						
COSTS								
FIXED								
scooter	2	800.00		1,600.00		1,600.00	1,600.00	0.00
rent	1	850.00		850.00		850.00	850.00	850.00
VARIABLE								
mgmt fees						700.00	700.00	700.00
consumables						150.00	75.00	75.00
wrangler/unit	10	20.00					600.00	600.00
TOTAL				2,450.00		3,300.00	3,825.00	2,225.00

Operational Overview:

With the help of an electric motor you get where you need to be faster, climb hills effortlessly and significantly reduce your carbon footprint.

This plan is simple and scalable.

- Purchase micro-mobility transport units:
- fat-tire scooters
- e-bikes
- mobile GPS trackers
- bicycle/scooter helmets
- Install accessories and decals

- apply decals
- mount GPS units
- Charge batteries, clean and inspect scooter
- move to garage/hub
- wipe down surfaces
- check battery, tire air pressure, brakes
- Move scooters to rental pick-up
- Customer rents, rides and returns to hub
- Go to Step 3 and repeat.

8. Conclusion:

This micro-mobility rental service operation is low cost, profitable and simple.

With easy launch and great scalability e-bike and scooter rentals take advantage of existing infrastructures and a location where pent-up demand and a market already exists for convenient and quick short trip transportation options.

It can work with one, two, four, eight or more scooters and e-bikes, however there is a limit and balance that only direct experience with indicate.

Whatever it is, a tourist destination, hotel or resort, a condominium, gated community, or any place walking in Pacific City from one end to another can take time and effort.

Offer our guests, visitors and locals a cool way to get around on something they already love to ride – scooters and bikes!

9. APPENDIX:

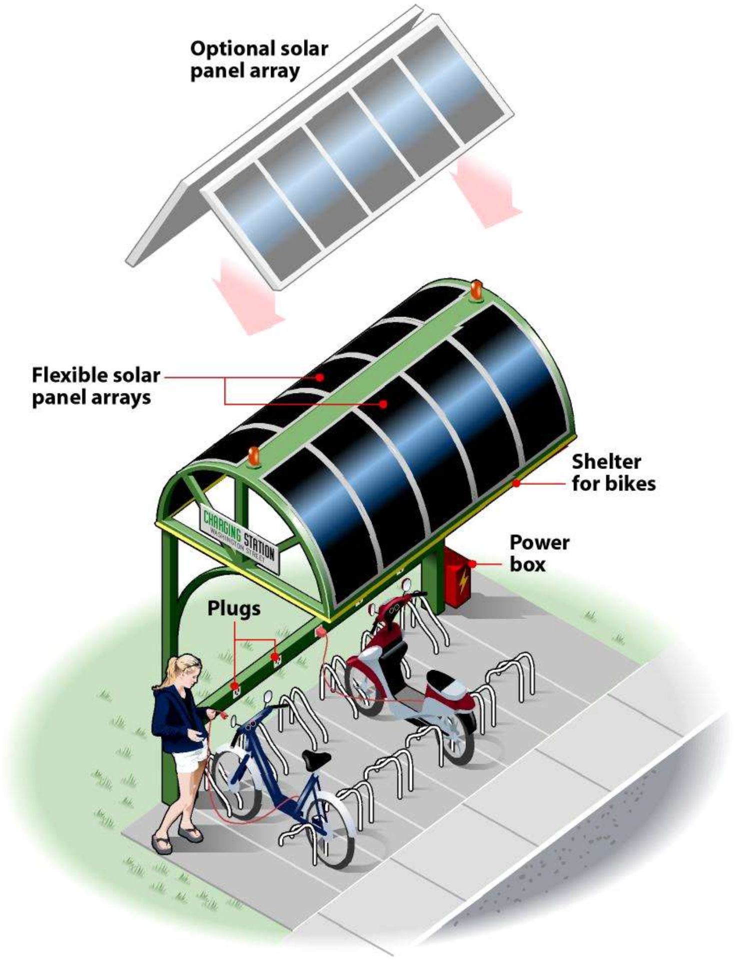
1. Solar Powered Bike Hub:

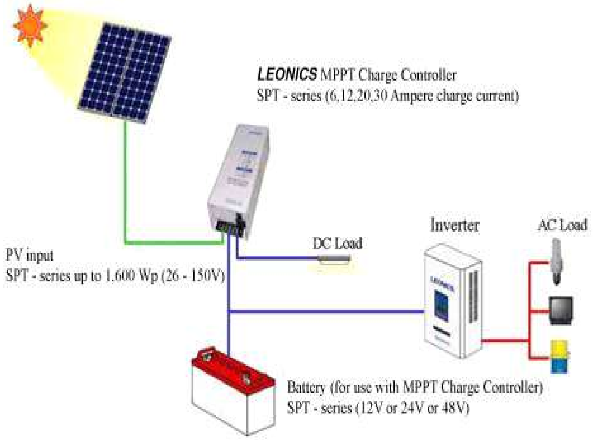
A re-charge station could operate independently on solar-power off the power grid.

Charging a 12v (2400 W/h) lead acid battery, would require a total of 200 amps x 12 volts of energy in about 5 hours of sun. That might charge four, 400 W/h batteries in the electric bikes.

With optimum sunlight and an MPPT charger that is 90% efficient, perhaps five, 250 watt panels could feed a bank of storage batteries. No grid tie, which lowers cost. It also allows the stations to be easily moved, for optimization of the system.

MPPT controller will monitor and regulate your system’s current. Maximum Power Point Tracking (MPPT) system is an electronic system that enables the photovoltaic panel to output more power by adjusting the working state of the electrical module. The DC power generated by the solar panel can be efficiently stored in a battery.


Optional solar panel array
Flexible solar panel arrays
Shelter for bikes
Power box
Plugs
CHARGING STATION


LEONICS MPPT Charge Controller
SPT - series (6,12,20,30 Ampere charge current)
PV input
SPT - series up to 1.600 Wp (26 - 150V)
DC Load
Inverter
AC Load
Battery (for use with MPPT Charge Controller)
SPT - series (12V or 24V or 48V)

LATEST NEWS UPDATE!

September, 2020

Covid-19 pandemic rages on!

Cities eye microtransit to create more responsive personal transportation networks.

DURING THE ONGOING Covid-19 crisis, some cities are turning to new on-demand programs called microtransit. Personal microtransit is a viable mobility alternative as social distancing ends and people move again on daily trips to work, shopping and recreation.

Microtransit's strength is getting people around on short trips, quickly. Its an advantage over traditional public transit and automobiles. It could also be used in Rural areas with infrequent public transit service, or no service and large distances between stops.

In the meantime, while streets are relatively quiet, is the time to consider, adopt and implement innovative ways to create new and more responsive transit systems.

Microtransit takes many forms, from e-scooters and bike lanes to things like microtransit, to accent public transit and reduce the congestion that private vehicles bring to cities.

Micro Transit Services is advantageously positioned by its immediate access to the area's unique geography, a major natural resource destination and central business real-estate to take advantage of, assume leadership in and significantly profit from existing and future micro-mobility and personal transport needs within and around the immediate areas and the surrounding communities.